

Component Units – Special Purpose Authorities

Special Purpose Authorities are legally separate entities which are discretely presented in the State's financial statements as component units in accordance with GASB Statement No. 14. The authorities' inclusion in the State's general purpose financial statements reflects the State's financial accountability for these entities. A brief description of the major authorities follows:

State Compensation Insurance Fund is a component unit created to offer insurance protection to employers at the lowest possible cost. This information is as of and for the year ended December 31, 1996.

The **California Housing Finance Agency** was created for the purpose of meeting the housing needs of persons and families of low and moderate income.

Other **Non-Major Component Units** provide certain services outside the State and provide certain private and public entities with a low-cost source of financing for activities that are deemed to be in the public interest.

The *California Alternative Energy and Advanced Transportation Financing Authority* was created to provide financing for the alternative energy and advanced transportation technologies.

The *California Pollution Control Financing Authority* was created to provide financing for pollution control facilities.

The *California Health Facilities Financing Authority* was created to provide financing for the construction, equipping, or acquiring of health facilities.

The *California Educational Facilities Authority* was created for the purpose of issuing revenue bonds to assist private educational institutions of higher learning in the expansion and construction of educational facilities.

The *California School Finance Authority* was created for the purpose of providing loans to school and community college districts to assist in obtaining equipment and facilities.

The *California Economic Development Financing Authority* was created for the purpose of issuing revenue and general obligation bonds to finance business development and public infrastructure projects.

District Agricultural Associations were created for the purpose of exhibiting all of the industries, industrial enterprises, resources, and products of the State.

The *San Joaquin River Conservancy* was created for the purpose of acquiring and managing public lands within the San Joaquin River Parkway.

Component Units – Special Purpose Authorities

Combining Balance Sheet

June 30, 1997

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
ASSETS				
Cash and pooled investments.....	\$ 397,981	\$ 245,549	\$ 236	\$ 59,643
Investments.....	5,673,333	1,200,611	—	—
Receivables (net).....	147,647	66,221	—	88
Due from other funds.....	—	—	—	—
Due from primary government.....	—	—	—	2,707
Prepaid items.....	—	148	—	22
Advances and loans receivable.....	—	4,360,172	—	—
Deferred charges.....	—	37,809	—	—
Fixed assets.....	232,127	—	—	—
Other assets.....	729,698	22,429	—	—
Total Assets.....	\$ 7,180,786	\$ 5,932,939	\$ 236	\$ 62,460
LIABILITIES				
Accounts payable.....	\$ —	\$ 18,018	\$ —	\$ 149
Due to other governments.....	—	8,408	—	—
Dividends payable.....	49,700	—	—	—
Benefits payable.....	4,521,682	—	—	—
Deposits.....	—	87,491	—	—
Contracts and notes payable.....	—	—	—	—
Compensated absences payable.....	22,299	1,071	—	—
Advance collections.....	134,808	75,459	—	—
Revenue bonds payable.....	—	5,089,304	—	—
Interest payable.....	—	130,570	—	—
Other liabilities.....	809,104	2,928	—	—
Total Liabilities.....	5,537,593	5,413,249	—	149
FUND EQUITY				
Contributed capital.....	—	—	—	—
Retained Earnings				
Reserved for regulatory requirements.....	100,000	464,546	—	—
Unreserved.....	1,543,193	55,144	236	62,311
Total Retained Earnings.....	1,643,193	519,690	236	62,311
Total Fund Equity.....	1,643,193	519,690	236	62,311
Total Liabilities and Fund Equity.....	\$ 7,180,786	\$ 5,932,939	\$ 236	\$ 62,460

Non-Major Component Units

California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
\$ 20,579	\$ 11,629	\$ 853	\$ 624	\$ 28,634	\$ 131	\$ 765,859
—	29,771	—	—	10,839	—	6,914,554
117	1,448	26	—	2,721	—	218,268
—	—	—	—	549	—	549
589	145	—	13	—	—	3,454
—	59	—	—	—	—	229
—	—	—	—	—	—	4,360,172
—	842	—	—	3,928	—	42,579
34	—	—	—	342,065	—	574,226
—	—	—	—	14,288	—	766,415
\$ 21,319	\$ 43,894	\$ 879	\$ 637	\$ 403,024	\$ 131	\$ 13,646,305
\$ 44	\$ 768	\$ 6	\$ 114	\$ 3,349	\$ 13	\$ 22,461
—	—	—	—	—	—	8,408
—	—	—	—	—	—	49,700
—	—	—	—	—	—	4,521,682
—	—	—	373	557	—	88,421
—	—	—	—	3,928	—	3,928
—	14	—	—	2,375	—	25,759
—	—	—	—	1,080	23	211,370
—	30,260	—	—	48,443	—	5,168,007
—	—	—	—	1,231	—	131,801
—	—	—	—	14,803	—	826,835
44	31,042	6	487	75,766	36	11,058,372
—	—	—	—	99	—	99
—	—	—	—	—	—	564,546
21,275	12,852	873	150	327,159	95	2,023,288
21,275	12,852	873	150	327,159	95	2,587,834
21,275	12,852	873	150	327,258	95	2,587,933
\$ 21,319	\$ 43,894	\$ 879	\$ 637	\$ 403,024	\$ 131	\$ 13,646,305

Component Units – Special Purpose Authorities

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

Year End June 30, 1997

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
OPERATING REVENUES				
Service and sales.....	\$	\$ 17,245	\$	\$ 7,483
Earned premiums (net).....	992,197	—	—	—
Investment and interest.....	—	306,877	—	—
Contributions.....	—	—	—	—
Rent.....	—	—	—	—
Other.....	—	7,031	—	—
Total Operating Revenues.....	992,197	331,153	—	7,483
OPERATING EXPENSES				
Personal services.....	123,495	9,987	—	—
Supplies.....	—	—	—	—
Services and charges.....	73,626	32,617	57	6,807
Depreciation.....	11,424	356	—	—
Benefits payments.....	1,088,349	—	—	—
Interest expense.....	—	309,485	—	—
Amortization of deferred charges.....	—	1,707	—	—
Total Operating Expenses.....	1,296,894	354,152	57	6,807
Operating Income (Loss).....	(304,697)	(22,999)	(57)	676
NONOPERATING REVENUES (EXPENSES)				
Grants received.....	—	72,832	—	—
Grants provided.....	—	(72,832)	—	—
Interest revenue.....	470,703	81,202	—	—
Interest expense and fiscal charges.....	—	—	—	—
Dividends paid.....	(117,069)	—	—	—
Other.....	—	—	—	—
Total Nonoperating Revenue (Expenses).....	353,634	81,202	—	—
Net Income (Loss).....	48,937	58,203	(57)	676
Retained Earnings, July 1, 1996.....	1,594,256	461,487	293	61,635
Retained Earnings, June 30, 1997.....	\$ 1,643,193	\$ 519,690	\$ 236	\$ 62,311

Non-Major Component Units

California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
\$ 3,287	\$ 760	\$ —	\$ —	\$ 115,985	\$ —	\$ 144,760
—	—	—	—	—	—	992,197
—	—	—	—	1,229	—	308,106
—	—	—	—	2,439	—	2,439
—	—	—	—	19,035	—	19,035
—	—	246	—	—	—	7,277
3,287	760	246	—	138,688	—	1,473,814
—	33	—	—	—	—	133,515
—	—	—	—	—	6	6
1,214	706	157	—	102,672	206	218,062
—	10	—	—	3,460	—	15,250
—	—	—	—	—	—	1,088,349
—	—	—	—	—	—	309,485
—	—	—	—	—	—	1,707
1,214	749	157	—	106,132	212	1,766,374
2,073	11	89	—	32,556	(212)	(292,560)
—	—	—	—	—	—	72,832
—	—	—	—	—	—	(72,832)
—	1,113	—	252	255	—	553,525
—	—	—	(225)	(2,480)	—	(2,705)
—	—	—	—	—	—	(117,069)
(8,005)	(5)	—	—	5,533	—	(2,477)
(8,005)	1,108	—	27	3,308	—	431,274
(5,932)	1,119	89	27	35,864	(212)	138,714
27,207	11,733	784	123	291,295	307	2,449,120
\$ 21,275	\$ 12,852	\$ 873	\$ 150	\$ 327,159	\$ 95	\$ 2,587,834

Component Units – Special Purpose Authorities

Combining Statement of Cash Flows

Year Ended June 30, 1997

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss).....	\$ (304,697)	\$ (22,999)	\$ (57)	\$ 676
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS				
Interest expense on operating debt.....	—	309,485	—	—
Depreciation.....	11,424	356	—	—
Accretion of capital appreciation bonds.....	—	9,562	—	—
Provisions and allowances.....	—	921	—	—
Accrual of deferred charges.....	—	—	—	—
Amortization of deferred credits.....	—	(3,711)	—	—
Amortization of discounts.....	—	5,512	—	—
Purchase of program loans.....	—	(849,199)	—	—
Collection of principal from program loans.....	—	220,725	—	—
Other.....	(497)	—	—	—
Change in assets and liabilities				
Receivables.....	4,938	(5,043)	—	(85)
Due from other funds.....	—	—	—	—
Due from primary government.....	9,965	—	—	(74)
Prepaid items.....	—	76	—	(2)
Other assets.....	17,243	(11,376)	—	—
Accounts payable.....	—	—	—	123
Due to other funds.....	—	—	—	—
Benefits payable.....	(98,120)	—	—	—
Deposits.....	—	3,218	—	—
Compensated absences payable	1,094	94	—	—
Advance collections.....	(19,287)	4,269	—	—
Other liabilities.....	574	(1,070)	—	—
Total Adjustments.....	(72,666)	(316,181)	—	(38)
Net Cash Provided by (Used In)				
Operating Activities.....	(377,363)	(339,180)	(57)	638

Non-Major Component Units						
California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
\$ 2,073	\$ 11	\$ 89	\$ —	\$ 32,556	\$ (212)	\$ (292,560)
—	—	—	—	—	—	309,485
—	10	—	—	3,460	—	15,250
—	—	—	—	—	—	9,562
—	—	—	—	—	—	921
—	—	—	—	6	—	6
—	—	—	—	(199)	—	(3,910)
—	—	—	—	—	—	5,512
—	—	—	—	—	—	(849,199)
—	—	—	—	—	—	220,725
—	—	—	—	3,202	—	2,705
108	(1,198)	(2)	—	203	—	(1,079)
2	—	—	—	168	—	170
9	(32)	—	(2)	—	—	9,866
—	(59)	—	—	—	—	15
—	—	—	—	(148)	—	5,719
21	794	2	10	1,126	5	2,081
—	—	—	—	(730)	(13)	(743)
—	—	—	—	—	—	(98,120)
—	—	—	261	—	—	3,479
—	12	—	—	—	—	1,200
—	—	—	—	(20)	21	(15,017)
—	—	—	—	1,005	—	509
140	(473)	—	269	8,073	13	(380,863)
2,213	(462)	89	269	40,629	(199)	(673,423)

(Continued)

Component Units – Special Purpose Authorities

Combining Statement of Cash Flows

Year Ended June 30, 1997

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Pollution Control Financing Authority
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Dividends paid.....	(127,369)	—	—	—
Advances from other funds.....	—	938	—	—
Proceeds from revenue bonds.....	—	1,101,467	—	—
Retirement of revenue bonds.....	—	(361,187)	—	—
Interest paid on operating debt.....	—	(293,719)	—	—
Operating transfers in.....	—	—	—	—
Grants provided.....	—	(72,832)	—	—
Net Cash Provided by (Used In) Noncapital Financing Activities.....	(127,369)	374,667	—	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of fixed assets.....	(24,154)	—	—	—
Proceeds from sale of fixed assets.....	648	—	—	—
Principal paid on notes payable and commercial paper.....	—	—	—	—
Proceeds from revenue bonds.....	—	—	—	—
Interest paid.....	—	—	—	—
Contributed capital.....	—	—	—	—
Grants received.....	—	72,832	—	—
Net Cash Provided by (Used In) Capital and Related Financing Activities.....	(23,506)	72,832	—	—
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments.....	—	(304,256)	—	—
Advances and loans provided.....	—	—	—	—
Proceeds from maturity and sale of investments.....	240,590	77,676	—	—
Interest on investments.....	470,703	82,931	—	—
Net Cash Provided by (Used In) Investing Activities.....	711,293	(143,649)	—	—
Net Increase (Decrease) in Cash and Pooled Investments..	183,055	(35,330)	(57)	638
Cash and Pooled Investments at July 1, 1996.....	214,926	280,879	293	59,005
Cash and Pooled Investments at June 30, 1997.....	\$ 397,981	\$ 245,549	\$ 236	\$ 59,643

Non-Major Component Units						
California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	California Economic Development Financing Authority	District Agricultural Associations	San Joaquin River Conservancy	Total
—	—	—	—	—	—	(127,369)
—	—	—	—	—	—	938
—	—	—	—	—	—	1,101,467
—	—	—	—	—	—	(361,187)
—	—	—	—	—	—	(293,719)
—	—	—	—	2,380	—	2,380
—	—	—	—	—	—	(72,832)
—	—	—	—	2,380	—	249,678
—	—	—	—	(33,872)	—	(58,026)
103	—	—	—	41	—	792
—	—	—	—	(44,925)	—	(44,925)
—	30,260	—	—	47,544	—	77,804
—	—	—	(225)	(1,249)	—	(1,474)
—	—	—	—	99	—	99
—	—	—	—	—	—	72,832
103	30,260	—	(225)	(32,362)	—	47,102
—	(29,771)	—	—	(6,741)	—	(340,768)
(3,527)	—	—	—	—	—	(3,527)
—	—	—	—	—	—	318,266
—	276	—	252	255	—	554,417
(3,527)	(29,495)	—	252	(6,486)	—	528,388
(1,211)	303	89	296	4,161	(199)	151,745
21,790	11,326	764	328	24,473	330	614,114
\$ 20,579	\$ 11,629	\$ 853	\$ 624	\$ 28,634	\$ 131	\$ 765,859

(Concluded)

